DOCUMENT RESUME

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By Bortolazzo, Julio L.

Recommended Financial Plan for the Construction of a Permanent Campus for San Joaquin Delta College.

San Joaquin Delta Coll., Stockton, Calif.
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The financial plan for the San Joaquin Delta College (California) permanent campus is presented in a table showing the gross square footage, the unit cost (including such fixed equipment as workbenches, laboratory tables, etc.), and the estimated total cost for each department. The unit costs per square foot vary from $18.00 for warehousing to $38.00 for the performing arts center. Total building construction costs are $19,779,000. Site development costs are $3,826,000, to which must be added $1,000,000 for movable equipment and furniture, $2,228,000 for assorted professional fees, and a reserve of $1,017,000. This makes a grand total of $27,850,000, of which $19,850,000 must be raised by a bond issue. The various departments planned for are: agriculture and natural resources, arts and letters, business education, campus centers, commons and student store, communications, forum building, health and physical education, health sciences, life sciences, materials resources, mathematics and engineering, physical science, social science, student personnel, technical and industrial, campus and district administration, and a warehouse and maintenance center. Attachments show the recommended bonding program, a comparison of present leasing and bond costs, the cost of continued leasing, and a comparison of 1972-73 bond and leasing costs. (HH)

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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RECOMMENDED FINANCIAL PLAN FOR THE CONSTRUCTION OF A PERMANENT CAMPUS FOR SAN JOAQUIN DELTA COLLEGE

A REPORT MADE TO THE BOARD OF TRUSTEES
AT THE MEETING OF
NOVEMBER 12, 1968

JC 680 504

Julio L. Bortolazzo, President and Superintendent

San Joaquin Delta Junior College District
3301 Kensington Way
Stockton, California 95204

Office of the President and Superintendent
San Joaquin Delta College

November 12, 1968

TO: Members of the Board of Trustees

FROM: Julio L. Bortolazzo, President and Superintendent

RECOMMENDED FINANCIAL PLAN FOR THE CONSTRUCTION OF A PERMANENT CAMPUS FOR SAN JOAQUIN DELTA COLLEGE

Attached is a recommended financial plan for the construction of a permanent campus for San Joaquin Delta College.

RECOMMENDATION:

I recommend the attached financial plan be adopted.

San Joaquin Delta College
November 12, 1968

RECOMMENDED FINANCIAL PLAN FOR THE CONSTRUCTION OF A PERMANENT CAMPUS FOR SAN JOAQUIN DELTA COLLEGE

On October 15, 1968, I presented to the Board of Trustees a study entitled "A Preliminary Appraisal of the Needs for and Means of Obtaining the Necessary College Facilities at a Minimal Cost to the Taxpayer." That study established a number of points:

1. The college has an imperative need for a new campus to accommodate a day enrollment of 7,500 by the fall of 1972.

2. Minimum adequate facilities for this number of students involves construction of approximately 753,500 gross square feet of buildings at a cost of approximately $19,681,000 plus site development [storm and sanitary sewers, utilities, physical education fields, paving and lighting of parking lots, drives and walks, landscaping] and plus the purchase of additional furniture and movable equipment and furniture, the total cost amounting to approximately $27,850,000 including a minimal reserve of $1,009,000.

3. Capital reserves on hand plus anticipated state and federal subventions amount to approximately $8,000,000, leaving a total to be raised by bond issue of $19,850,000. This latter figure can be compared to the unsuccessful $22,794,000 bond issue submitted to the electorate in 1966.

4. Bonds authorized in 1969 and sold in two equal increments in 1971 and 1972 bearing an interest rate of 4-1/2% redeemable over 25 years would result in an average tax rate of 11.2¢ per $100 of assessed valuation. This tax rate would never rise above 11.9¢.

5. The district is now leasing facilities for college purposes. This would have to be continued until the new campus is ready for occupancy in the fall of 1972. The tax rate levied for this purpose is 9.9¢ in the current tax year (1968-69). This rate is anticipated to be 10.2¢ in 1969-70, 11.9¢ in 1970-71, and 12.4¢ in 1971-72.

6. Since the tax rate for bond interest and redemption would have to be levied beginning in 1970-71 and the new facilities could not be ready for occupancy before the fall of 1972 at the earliest, there will be two years (1970-71, 1971-72) during which the taxpayer will be paying an average rate of 12.2¢ for leasing facilities for the growing college plus an average of 11.8¢ for bond interest and redemption. However, *beginning with 1972-73, the year the college moves to the new campus, the tax rate for the provision of junior college facilities would be an average of 11.2¢, an increase over the 1968-69 rate of only 1.3¢.* [In the case of an owner of a $20,000 home, this would mean a tax increase of only 65¢ a year or just over 5¢ a month. For a $25,000 home the increase would be 81¢ a year or less than 7¢ a month, for a $35,000 home, $1.14 a year or less than 10¢ a month, and for a $50,000 home, $1.63 a year or less than 14¢ a month.]

7. Should the money to build the new campus not be provided, the tax for leasing facilities for a growing college will have risen by 1972-73 to 13.5¢ compared with an average tax rate from that year forward of 11.2¢ under the proposed bond issue. In short, as the *Stockton Record* editorialized, it is cheaper to buy than to rent.

The financial plan herein proposed was due for presentation on or about December 1, 1968. This date has been accelerated to November 12, 1968 so that favorable action by the Board of Trustees would permit a bond election on Tuesday, March 4, 1969.

Continuous and detailed planning has been proceeding between the faculty, the administration, and the architects, translating the projected educational needs of the college into specifications. In this planning, certain factors have necessarily been introduced. It is important that these factors be identified and the measures taken to insure that they are prudent be emphasized:

The first of these factors is the interest rate at which the bonds are to be sold. Computations have been based on 4-1/2% which is somewhat higher than the interest rate expected to obtain in 1971 and 1972 when the sale of the bonds is anticipated. Bonds of this type are currently being sold at a slightly lower interest rate and financial authorities generally agree that the interest rate will be going down somewhat in the next several years.

The second of these factors is the unit costs of construction. The unit costs for several new junior colleges in northern California have been obtained. With the collaboration of the architects, these costs have been extended along the curve of the highly respected Engineering News Record index to estimate as accurately as possible what these colleges would cost had they gone to bid in the fall of 1970. An average of the projected 1970 unit costs thus obtained has been struck and a prudent safety factor of +10% has been applied to obtain the unit costs used in planning. Thus the rising costs of construction has been taken into account.

At this time, reasonably firm estimates of space requirements, by function, can be presented. Detailed educational specifications to support these estimates are on file in the Office of the Superintendent and will be presented to the Board of Trustees during the coming year. These educational specifications will continue to be refined as the planning process continues.

In the tabular presentation which follows, unit construction costs include all fixed equipment such as work benches, laboratory tables, millwork, etc.:

	Gross Square Feet	Unit Cost (@)	Construction Cost
AGRICULTURE AND NATURAL RESOURCES	33,530	$22.00	$ 737,660
Plant science laboratories	(4,937)		
Animal husbandry laboratories	(1,329)		
Agriculture mechanics and engineering shops	(14,307)		
Agriculture technology laboratory	(2,147)		
Natural resources laboratory	(1,461)		
Ornamental horticulture	(3,750)		
Agriculture classrooms	(3,764)		
Division and faculty offices	(1,834)		
ARTS AND LETTERS	103,540		3,440,491
Teaching facilities	(41,159)	26.00	(1,070,013)
Fine arts laboratories	(14,586)		
Drama workshop	(4,571)		
Music teaching facilities	(13,543)		
Language laboratories	(3,750)		
Classrooms	(1,743)		
Division and faculty offices	(2,966)		
Performing arts center	(62,381)	38.00	(2,370,478)
Auditorium	(38,476)		
Little theater	(19,871)		
Facilities common to both	(4,034)		
BUSINESS EDUCATION	28,530	23.00	656,190
Business laboratories	(18,114)		
Computation Center	(5,354)		
Lecture hall and classrooms	(2,960)		
Division and faculty offices	(2,100)		
CAMPUS CENTERS	43,714	28.00	1,223,992
Lobby, living room, checkroom	(10,571)		
Quiet study room	(8,143)		
Lunch room	(15,000)		
Conference rooms	(10,000)		

	Gross Square Feet	Unit Cost (@)	Construction Cost
COMMONS AND STUDENT STORE	44,057	$28.00	$ 1,233,596
Student store	(11,000)		
Student organizations	(1,429)		
Dining room	(23,714)		
Kitchen	(7,143)		
Lobby and cloakroom	(771)		
COMMUNICATIONS	30,974	25.00	774,350
Reading, speech, and writing laboratories	(13,643)		
Journalism and student publications	(2,357)		
Classrooms	(10,671)		
Division and faculty offices	(4,303)		
FORUM BUILDING	11,571	30.00	347,130
Lecture halls and seminar rooms	(10,029)		
Projection and service rooms	(1,523)		
HEALTH AND PHYSICAL EDUCATION	77,357	30.00	2,320,710
Gymnasia	(43,857)		
Entrance and related areas	(2,731)		
Men's locker and shower rooms	(18,343)		
Women's locker and shower rooms	(8,857)		
Classrooms	(1,014)		
Outdoor area (computed under site development)	-		
Division and faculty offices	(2,554)		
HEALTH SCIENCES	23,199	23.00	533,577
Home economics laboratories	(5,657)		
Nursing laboratories	(5,714)		
Medical assisting laboratory	(2,543)		
Dental assisting laboratory	(3,164)		
Classrooms	(2,971)		
Division and faculty offices	(3,149)		

	Gross Square Feet	Unit Cost (@)	Construction Cost
LIFE SCIENCES	24,073	$23.00	$ 553,679
Biological science teaching laboratories	(22,033)		
Division and faculty offices	(2,040)		
MATERIALS RESOURCES	109,681	27.00	2,961,387
Main library	(47,801)		
Center libraries	(38,786)		
Instructional materials center	(10,414)		
Broadcasting (Radio and TV)	(3,714)		
Tutorial center	(6,109)		
MATHEMATICS AND ENGINEERING	20,888	23.00	480,424
Drafting rooms and laboratories	(12,656)		
Classrooms	(6,193)		
Division and faculty offices	(2,040)		
PHYSICAL SCIENCE	28,537	25.00	713,425
Chemistry, physics, and geology laboratories	(16,689)		
Science lecture and demonstration	(2,743)		
Photography studio and laboratory	(4,071)		
Space Science	(3,200)		
Division and faculty offices	(1,834)		
SOCIAL SCIENCE	18,473	24.00	443,352
Psychology, anthropology and sociology labs	(4,936)		
Classrooms	(9,360)		
Division and faculty offices	(4,177)		
STUDENT PERSONNEL	12,570	24.00	301,680
Central student administration and registrar	(3,877)		
Health services(College nurse & cot rooms)	(1,000)		
Counseling centers	(7,693)		

	Gross Square Feet	Unit Cost (@)	Construction Cost
TECHNICAL AND INDUSTRIAL EDUCATION	105,169	$22.00	$ 2,313,718
Carpentry shop	(5,119)		
Mill cabinet shop	(5,544)		
Construction drafting	(1,503)		
Paint shop	(3,609)		
Print shop	(5,647)		
Air conditioning & sheet metal shop	(4,390)		
Welding shop	(4,390)		
Machine and machine tool shop	(8,884)		
Auto accessories shop	(6,331)		
Body and fender shop	(6,607)		
Auto mechanics shop	(6,331)		
Small engine shop	(6,331)		
Truck mechanics shop	(6,503)		
Industrial maintenance & hydraulics shop	(6,503)		
Industrial electronics laboratories	(8,020)		
Industrial electrical wiring laboratory	(4,561)		
Police science laboratory	(1,183)		
Classrooms	(11,860)		
Faculty offices	(1,851)		
CAMPUS AND DISTRICT ADMINISTRATION	10,186	24.00	244,464
General administration and board room	(5,529)		
Institutional research	(729)		
Business section	(2,929)		
Community relations	(1,000)		
WAREHOUSE AND MAINTENANCE CENTER	27,713	18.00	498,834
Warehouse, stockroom, shipping & receiving	(10,857)		
Maintenance shops	(10,143)		
Vehicle maintenance	(6,429)		
Offices	(286)		
SUB-TOTAL	753,762		$19,778,659
SUB-TOTAL(rounded)			$19,779,000

	CONSTRUCTION COST
SITE DEVELOPMENT	
Storm and Sanitary Sewers	$ 558,700
Access and perimeter roads and walks	277,000
Parking lot paving and lighting	1,281,000
Physical education fields	556,300
Utilities and underground	419,000
Landscaping	734,000
SUB-TOTAL	$ 3,826,000
MOVABLE EQUIPMENT AND FURNITURE NEEDED IN ADDITION TO THAT ACQUIRED BY LEASE-PURCHASE	$ 1,000,000
FEES [Architects, inspectors, state office, engineers, etc.]	$ 2,228,000
MINIMAL RESERVE	$ 1,017,000
TOTAL	$27,850,000

CAPITAL RESERVE ON HAND	$5,000,000
ESTIMATED OUTSIDE ASSISTANCE:	
State [Jr.College Const.Act of 1967]	$2,000,000
Federal aid	$1,000,000
TOTAL	$8,000,000
NEEDED TO BE RAISED BY BOND ISSUE	$19,850,000

Attached hereto are four enclosures, previously presented as part of the preliminary appraisal, setting forth in detail the recommended bonding program, a comparison of the present leasing costs with the cost of a bond issue, the financial picture of continued leasing costs, and a comparison of leasing costs with bond issue costs for tax year 1972-73.

ENCL: (4)

SAN JOAQUIN DELTA JUNIOR COLLEGE DISTRICT
Tentative Bonding Program

Amount of Issue:	$19,850,000		
To Be Sold:	$ 9,925,000	(7/1 to 8/20 - 1970)	Series A
	$ 9,925,000	(7/1 to 8/20 - 1971)	Series B

Each Series 25 years — Estimated Interest Rate 4½%

Estimates based upon 95% of Secured Assessed Valuation and Growth of 4% each year

Unsecured Valuation used 1970-71 Fiscal Year

SERIES A

FISCAL YEAR	BONDS	INTEREST	TAX RATE Series A	Series B	Total
1970-71			11.9¢		11.9¢
1971-72	$ 400,000	$660,938	5.7	6.0¢	11.7
1972-73	50,000	427,501	5.8	5.8	11.6
1973-74	50,000	425,251	5.9	5.8	11.7
1974-75	75,000	422,438	5.9	5.9	11.8
1975-76	100,000	418,500	5.9	5.9	11.8
1976-77	125,000	413,438	5.9	5.9	11.8
1977-78	150,000	407,251	5.9	5.9	11.8
1978-79	175,000	399,938	5.9	5.9	11.8
1979-80	200,000	391,500	5.8	5.8	11.6
1980-81	225,000	381,938	5.7	5.7	11.4
1981-82	250,000	371,251	5.6	5.7	11.3
1982-83	275,000	359,438	5.5	5.6	11.1
1983-84	300,000	346,500	5.4	5.5	10.9
1984-85	325,000	332,438	5.5	5.6	11.1
1985-86	375,000	316,688	5.5	5.6	11.1
1986-87	425,000	298,688	5.6	5.6	11.2
1987-88	475,000	278,438	5.5	5.6	11.1
1988-89	525,000	255,938	5.5	5.6	11.1
1989-90	575,000	231,188	5.5	5.6	11.1
1990-91	625,000	204,188	5.4	5.7	11.1
1991-92	675,000	174,938	5.5	5.7	11.2
1992-93	750,000	142,875	5.6	5.7	11.3
1993-94	850,000	106,875	5.9	5.9	11.8
1994-95	975,000	65,813	5.4	5.7	11.1
1995-96	975,000	21,938		5.2	5.2
TOTAL	$9,925,000	AVERAGE TAX RATE			11.2¢

ENCLOSURE (1)
B.W.B.
10/9/68

SAN JOAQUIN DELTA JUNIOR COLLEGE DISTRICT
Tentative Bonding Program

SERIES B

FISCAL YEAR	BONDS	INTEREST	TAX RATE Series B
1971-72			6.0
1972-73		$669,938	5.8
1973-74	$ 25,000	446,063	5.8
1974-75	50,000	444,375	5.9
1975-76	75,000	441,563	5.9
1976-77	100,000	437,626	5.9
1977-78	125,000	432,563	5.9
1978-79	150,000	426,375	5.9
1979-80	175,000	419,062	5.8
1980-81	200,000	410,625	5.7
1981-82	225,000	401,063	5.7
1982-83	250,000	390,375	5.6
1983-84	275,000	378,563	5.5
1984-85	300,000	365,626	5.6
1985-86	350,000	351,001	5.6
1986-87	400,000	334,126	5.6
1987-88	450,000	315,001	5.6
1988-89	500,000	293,626	5.6
1989-90	550,000	270,001	5.6
1990-91	600,000	244,126	5.7
1991-92	675,000	215,438	5.7
1992-93	750,000	183,375	5.7
1993-94	825,000	147,938	5.9
1994-95	925,000	108,563	5.7
1995-96	975,000	65,813	5.2
1996-97	975,000	21,938	
TOTAL	$9,925,000		

ENCLOSURE (1)
B. W. B.
10/9/68

San Joaquin Delta College

PRESENT (1968-69) LEASING COSTS

COMPARED WITH COST OF A BOND ISSUE

	TAX RATE On $100 Assessed Valuation
Tentative Bond Retirement Plus Interest (Average)	11.2¢
Present Lease Tax (1968-69)	9.9¢
Estimated Tax Increase (Bond Funds to Replace Leasing Costs)	1.3¢

Added Cost to the Owner of a Home

Home Value	Assessed Valuation (25%)	Added Cost of Bonds Over Leases
$10,000.00 Home	$ 2,500.00	$ .33 per year or 2.7¢ per month
$15,000.00 Home	$ 3,750.00	$ .49 per year or 4.1¢ per month
$20,000.00 Home	$ 5,000.00	$ .65 per year or 5.4¢ per month
$25,000.00 Home	$ 6,250.00	$ .81 per year or 6.8¢ per month
$30,000.00 Home	$ 7,500.00	$ .98 per year or 8.1¢ per month
$35,000.00 Home	$ 8,750.00	$1.14 per year or 9.5¢ per month
$40,000.00 Home	$10,000.00	$1.30 per year or 10.8¢ per month
$45,000.00 Home	$11,250.00	$1.46 per year or 12.2¢ per month
$50,000.00 Home	$12,500.00	$1.63 per year or 13.5¢ per month
$55,000.00 Home	$13,750.00	$1.79 per year or 14.9¢ per month
$60,000.00 Home	$15,000.00	$1.95 per year or 16.2¢ per month
$65,000.00 Home	$16,250.00	$2.11 per year or 17.6¢ per month
$70,000.00 Home	$17,500.00	$2.28 per year or 19.0¢ per month
$75,000.00 Home	$18,750.00	$2.44 per year or 20.3¢ per month
$80,000.00 Home	$20,000.00	$2.60 per year or 21.7¢ per month

ENCLOSURE (2)
10/9/68

	1968-69		1969-70	
	Estimated Expenditures	Beginning Balance & Ending Balance	Estimated Expenditures	Beginning Balance & Ending Balance
Stockton Unified School District Lease and Lease of Portable Buildings	$429,138.06		$589,842.60	
Other Facilities	14,635.00		17,000.00	
Stockton Unified School District Lease of Furniture and Equipment	18,000.00		18,000.00	
Lease with Xerox, IBM, Pitney Bowes, and 3-M Corporation	90,300.00		105,000.00	
Lease-Purchase of Furniture and Equipment for Portables and Growth	19,113.39		37,868.97	
Beginning Balance		$ 166,785.00		$297,999.35
Tax for Lease Agreements Education Code Section 25541.5 Based on 96% Collection of Taxes		702,400.80		756,383.51
Total Budgeted for Year		869,185.80		1,054,382.86
Total Estimated Expenditures		-571,186.45		-767,711.57
ENDING BALANCE		$ 297,999.35		$ 286,671.29

9.91
TAX RATE

10.2
TAX RATE

1970-71		1971-72		1972-73	
Estimated Expenditures	Beginning Balance & Ending Balance	Estimated Expenditures	Beginning Balance & Ending Balance	Estimated Expenditures	Beginning Balance & Ending Balance
$765.644.30		$ 887,375.00		$946,827.50	
18.500.00		20,000.00		20,000.00	
16,000.00		16,000.00		16,000.00	
108,000.00		116,336.58		120,000.00	
57,464.98		68,088.00		73,535.04	
	$ 286,671.29		$ 238,807.33		$ 125,566.04
	917,745.32		994.558.29		1,126,096.64
	1,204,416.61		1,233,365.62		1,251,662.68
	-965,609.28		-1,107.799.58		-1,176,362.54
	$ 238.807.33		$ 125,566.04		$ 75.300.14

11.9 TAX RATE

12.4 TAX RATE

13.5 TAX RATE

ENCLOSURE (3)

San Joaquin Delta College

LEASING COSTS, TAX YEAR 1972-73

COMPARED WITH BOND ISSUE COSTS, TAX YEAR 1972-73

	TAX RATE On $100 Assessed Valuation
Estimated Leasing Tax, 1972-73 (If bond issue fails)	13.5¢
Tentative Bond Retirement Plus Interest, 1972-73	11.6¢
Net Tax Reduction, Bonds over Leasing	1.9¢

Savings to the Owner of a Home

Home Value	Assessed Valuation (25%)	Savings, Bonds over Leases
$10,000.00 Home	$ 2,500.00	$ .48 per year or 4.0¢ per month
$15,000.00 Home	$ 3,750.00	$ .71 per year or 5.9¢ per month
$20,000.00 Home	$ 5,000.00	$ .95 per year or 7.9¢ per month
$25,000.00 Home	$ 6,250.00	$1.19 per year or 9.9¢ per month
$30,000.00 Home	$ 7,500.00	$1.43 per year or 11.9¢ per month
$35,000.00 Home	$ 8,750.00	$1.67 per year or 13.9¢ per month
$40,000.00 Home	$10,000.00	$1.90 per year or 15.8¢ per month
$45,000.00 Home	$11,250.00	$2.14 per year or 17.8¢ per month
$50,000.00 Home	$12,500.00	$2.38 per year or 19.8¢ per month
$55,000.00 Home	$13,750.00	$2.61 per year or 21.7¢ per month
$60,000.00 Home	$15,000.00	$2.85 per year or 23.7¢ per month
$65,000.00 Home	$16,250.00	$3.09 per year or 25.7¢ per month
$70,000.00 Home	$17,500.00	$3.33 per year or 27.7¢ per month
$75,000.00 Home	$18,750.00	$3.56 per year or 29.7¢ per month
$80,000.00 Home	$20,000.00	$3.80 per year or 31.7¢ per month

ENCLOSURE (4)
10/9/68

San Joaquin Delta College
November 13, 1968

SUMMARY FINANCIAL PLAN FOR CONSTRUCTION OF A PERMANENT CAMPUS

San Joaquin Delta College has an imperative need for a permanent campus to accommodate a day enrollment of 7,500 by the fall of 1972. Minimum adequate facilities for this number of students involves construction of approximately 754,000 gross square feet of buildings plus roads, parking lots, and physical education facilities on the Pacific Avenue site at an estimated total cost of $27,850,000. Capital reserves on hand plus anticipated state and federal subventions amount to approximately $8,000,000, leaving a total to be raised by bond issue of $19,850,000. This latter figure compares with the unsuccessful $22,794,000 bond issue submitted to the electorate in 1966.

Bonds authorized in 1969 and sold in two equal increments in 1971 and 1972 bearing an interest rate of 4-1/2% redeemable over 25 years would result in an average tax rate of 11.2¢ per $100 of assessed valuation. This tax rate would never rise above 11.9¢.

The district is now leasing facilities for college purposes. This would have to be continued until the new campus is ready for occupancy in the fall of 1972. The tax rate levied for this purpose is 9.9¢ in the current tax year (1968-69). This rate is anticipated to be 10.2¢ in 1969-1970, 11.9¢ in 1970-71, and 12.4¢ in 1971-72.

Since the tax rate for bond interest and redemption would have to be levied beginning in 1970-71 and the new facilities could not be ready for occupancy before the fall of 1972 at the earliest, there will be two years (1970-71, 1971-72) during which the taxpayer will be paying an average rate of 12.2¢ for leasing facilities for the growing college plus an average of 11.8¢ for bond interest and redemption. However, *beginning with 1972-1973, the year the college moves to the new campus, the tax rate for the provision of junior college facilities would be an average of 11.2¢, an increase over the 1968-69 rate of only 1.3¢.* [In the case of an owner of a $20,000 home, this would mean a tax increase of only 65¢ a year or just over 5¢ a month. For a $25,000 home the increase would be 81¢ a year or less than 7¢ a month; for a $35,000 home, $1.14 a year or less than 10¢ a month, and for a $50,000 home, $1.63 a year or less than 14¢ a month.]

Should the money to build the new campus not be provided, the tax for leasing facilities for a growing college will have risen by 1972-73 to 13.5¢ compared with an average tax rate from that year forward of 11.2¢ under the proposed bond issue. In short, as the *Stockton Record* editorialized, it is cheaper to buy than to rent.

The estimates upon which this financial plan is based are conservative. It is anticipated that bonds can be sold in 1971 and 1972 at interest rates lower than 4-1/2%. The cost of construction factors are corrected to reflect rising costs.

On November 12, 1968 the Board of Trustees approved the foregoing financial plan and directed the Superintendent to prepare a resolution designating March 4, 1969 as the date of the $19,850,000 bond election.